UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY CASE NO. 07-15195(MS)

CHAPTER 11

In re BAYONNE MEDICAL CENTER,,

DEPOSITION OF

Debtor,

PAUL MOHRLE

V

BAYONNE MEDICAL CENTER, Debtor and Debtor-in-Possession; and : ALLEN D. WILEN, in his capacity as: Liquidating Trustee and Estate : Representative for the Estate of : Debtor, Bayonne Medical Center, :

ORIGINAL

Plaintiff,

V

BAYONNE/OMNI DEVELOPTMENT, L.L.C., a New Jersey limited liability company; et al.,

Defendants.

TRANSCRIPT of Deposition Proceedings in the above-entitled matter, as taken by and before MARIA F. PIOTROWSKI, Certified Court Reporter and Notary Public of the State of New Jersey, at the offices of SAIBER ATTORNEYS AT LAW, 18 COLUMBIA AVENUE, FLORHAM PARK, NEW JERSEY, on WEDNESDAY, SEPTEMBER 15th, 2010 commencing at 10:12 a.m..

Case 09-01689-MS Doc 47-11 Filed 05/06/11 Entered 05/06/11 10:01:44 Desc Exhibit #62 - #69 Page 3 of 35 Page 80 And was this conversation that you had with 1 Q. Herman Brockman in the fall of '06 the only conversation 2 that you recall having had with him about the pledge? 3 I don't recall. 4 Α. MR. FALANGA: Objection to the form. 5 Excuse me? 6 Q. I don't remember. 7 Α. Do you recall any conversations with Herman 8 0. Brockman about the pledge other than the one that took place 9 in or about October or November or I should say in the fall 10 of 2006? 11 MR. GROHS: Object to the form. 12 I don't remember. Α. 13 Tell me what you can recall about the 14 Q. conversation about the pledge that you had with Herman 15 Brockman in the fall of 2006. 16 MR. FALANGA: Object to the form. 17 MR. GROHS: Object to the form. You can 18 19 answer. I don't remember any specifics. 20 -Α. What was the subject matter? 21 Q. It was probably when I was writing it off the 22 Α. books or fully reserving it. Not writing it off the books, 23 but setting up a reserve. 24 25 So --Q.

Case 09 01689 MS Doc 47-11 Filed 05/06/11 Entered 05/06/11 10:01:44 Desc			
		Exhibit #62 - #69 Page 4 of 35	
1	Α.	And that was a significant item because that	
2	reduced the	increased the loss of the hospital when that	
3	was written of	f the books.	
4	Q.	So your best recollection is that it was at	
5	the time that	you were writing off the pledge that you	
6	discussed some	thing about the pledge with Herman Brockman;	
7	is that correc	t?	
8		MR. FALANGA: Object to the form.	
9		MR. GROHS: Object to the form.	
10	Q.	You can answer.	
11	Α.	Yeah.	
12	Q.	What was it, as best you can recall, that you	
13	discussed with	him?	
14	Α.	Just that we were reserving it against the	
15	pledge.		
16	Q.	Did you tell him why you were making a	
17	reserve agains	t the pledge?	
18	Α.	Yeah, because it wasn't deemed to be	
19	collectable.	· .	
20	Q.	Did you tell him why who deemed it not to	
21	be collectable	?	
22		MR. FALANGA: Object to the form.	
23		MR. GROHS: I join. You can answer.	
24	А.	I don't remember.	
25	Q.	Who told you that they deemed it not	
		.	

Case		17-11 Filed 05/06/11 Entered 05/06/11 10:01:44 Desc Exhibit #62 - #69 Page 5 of 35 Page 82
1		MR. GROHS: Objection.
2		MR. FALANGA: Objection.
3	Α.	I don't remember.
4	Q.	Was it your independent judgment that it was
5	not collectabl	e or did that conclusion come from something
6	that somebody	told you?
7		MR. FALANGA: Object to the form.
8		MR. GROHS: Object to the form.
19	Α.	It wasn't my independent. Information came
10	that this, you	know, this pledge we weren't going to I
11	don't remember	specifically what was said, but based on the
12	information th	at was given to me, then I said, you know,
13	we'll have to	reserve for the pledge.
14	Q.	Okay. Do you know who it was that gave you
15	the informatio	n that the pledge was uncollectible?
16	Α.	I can't remember.
17	Q.	Was it one person or more than one person?
18		MR. GROHS: Object to the form.
19	Α.	I can't remember.
20	Q.	Was it in writing or oral?
21	Α.	It was oral.
22	Q.	Was it in the context of a formal meeting of
23	a committee or	not?
24	Α.	No, it wasn't a formal committee.
25	Q.	Did you do anything to determine the accuracy

Case 09-01689-MS Doc 47-11 Filed 05/06/11 Entered 05/06/11 10:01:44 Desc Exhibit #62 - #69 Page 6 of 35				
		Page 83		
1	of the advice y	you were getting that the pledge was		
2	uncollectible?			
3		MR. GROHS: Object to the form.		
4		MR. FALANGA: Join the objection.		
5	Α.	No.		
_. 6	Q.	Did you tell anybody at the time that someone		
7	told you that t	the pledge was uncollectible, did you tell		
.8	somebody else t	the pledge was uncollectible?		
9		MR. GROHS: Object to the form.		
1.0		MR. FALANGA: Object to the form.		
11	Q.	You can answer.		
12	Α.	I had to tell the Accounting Department so		
13	they could prep	pare the appropriate journal entry on the		
14	books.			
15	Q.	Do you know why the pledge was uncollectible?		
16		MR. GROHS: Object to the form.		
17		MR. FALANGA: Object to the form.		
18	Q.	You can answer.		
19	Α.	No.		
20	Q.	Were you ever told why the pledge was		
21	uncollectible?			
22		MR. GROHS: Object to the form.		
23		MR. FALANGA: Object to the form.		
24	Α.	No, not that I can recall.		
25	Q.	So you made a judgment, if I'm understanding		

Case 09-01689-MS Doc 47-11 Filed 05/06/11 Entered 05/06/11 10:01:44 Desc			
	Exhibit #62 - #69 Page 7 of 35 Page 84		
1	you correctly, to establish a reserve and to write off the		
2	pledge based upon what somebody told you and without their		
3	telling you the reason for you to do it; is that correct?		
4	MR. FALANGA: Object to the form.		
5	MR. GROHS: Object to the form.		
6	Q. You can answer the question.		
7	A. I don't remember the specifics.		
8	Q. Do you remember learning at any time from any		
9	source why it was that the Eisenreich pledge had been		
10	determined to be uncollectible?		
11	MR. GROHS: Object to the form and I believe		
12	it's been asked and answered.		
13	MR. FALANGA: Join in the objection.		
14	A. No, I don't remember.		
15	Q. And do you recall any of the specifics of		
16	your conversation with Herman Brockman at that time when I		
17	gather what you're saying is that you were discussing with		
18	him was reserve or write off?		
19	MR. GROHS: Object to form.		
20	MR. FALANGA: Object to the form.		
21	A. I don't remember any specifics.		
22	Q. Do you remember his saying anything at that		
23	time?		
24	MR. FALANGA: Object to the form.		
25	MR. GROHS: Object to the form.		

UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY

CASE NO. 07-15195(MS)

CHAPTER 11

IN RE BAYONNE MEDICAL CENTER,

DEPOSITION OF

Debtor,

VINCENT LOMBARDO

V . . .

ALLEN D. WILEN,

Plaintiff,

v.

BAYONNE/OMNI DEVELOPMENT, LLC., et al,

Defendants.

TRANSCRIPT of Deposition Proceedings in the above-entitled matter, as taken by and before MARIA F. PIOTROWSKI, Certified Court Reporter and Notary Public of the State of New Jersey, at the offices of CONNELL FOLEY, LLP, 2510 PLAZA 5, HARBORSIDE FINANCIAL CENTER, JERSEY CITY, NEW JERSEY, on TUESDAY, MARCH 16th, 2010 commencing at 3:10 p.m..

Page 14 times to get that pledge. 1 And sometimes the pledge was not honored? 2 Q. MR. PIZZI: Object to the form. 3 foundation. 4 Α. Yes. 5 And you know what I mean been when I say the 6 0. pledge was not honored? 7 8 Α. Yes. Do you have any way, as you sit here today 9 and without your records, to estimate for me the percentage 10 as a fraction of the totality of pledges made during the 11 period of your service that were dishonored? 12 Not to my recollection. 13 Α. Would it have been -- can you estimate it for Q. 14me? 15 MR. PIZZI: It's the same question. 16 and answered. 17 You can answer the question. Q. 18 No, I -- not with any absolute. 19 Α. Let me try it this way. Would you say that 20 Q. more than 50 percent of the pledges were dishonored? 21 MR. PIZZI: Object to the form. 22 23 Α. No. Would you say that more than 40 percent of 24 Q. the pledges were dishonored? 25

Page 15 Can't recall. Don't know. 1 Α. Would you say more than 20 percent, more than 2 Q. 20 percent of the pledges were dishonored? 3 MR. PIZZI: Object to the form. 4 I can't. I can't with any accuracy and I 5 don't want to guess. 6 I don't want you to guess. Without telling Q. 7 me the percentage of pledges that were dishonored because 8 you're not able to do that at this moment, can you tell me 9 if there are records kept by the foundation for that period 10 that would reflect the pledges that were recorded and the 11 honoring or dishonoring of those pledges? 12 When I left in 2007 there were records that 13 Α. I'm sure would indicate that and also the Bayonne Medical 14 Center's accounting office also kept records. 15 Who was in charge then of the BMC accounting Q. 16 department? 17 Heather Aaron was the CFO. Α. 18 Can you tell me in the course of your service Q. 19 from '99 through 12/31/05 any lawsuits were brought against 20 pledgors to collect upon dishonored pledges? 21 No. 22 Α. No you can't tell me or none were brought? 23 Q. None that I know of. Α. 24 Was there a policy at the foundation in the 25 Q.

Exhibit #62 - #69 Page 12 of 35 Page 16 period '99 through 12/31/05 with respect to whether or not 1 dishonored pledges were to be the subject of collection 2 suits? 3 Not to my knowledge. Α. 4 Was there a policy at the foundation in that 5 same period with respect to the pursuit or not pursuing 6 dishonored pledges? 7 MR. PIZZI: Objection. No foundation. If 8 . 9 you know. Not sure. I don't know. 10 Who at the foundation, if any person or Q. 11 persons would fill this bill, had the primary responsibility 12 for pursuing collection of dishonored pledges? 13 MR. PIZZI: Object to the form. 14 The situation never or the conversation never Α. 15 took place how to handle dishonored pledges, to the best of 16 my knowledge. 17 Okay. So when a -- in the period of your Q. 18 tenure and ending 12/31/05 in the event of a pledge that was 19 dishonored, who made the decision of what to do about it? 20 Well, majority of the pledges occurred, I Α. 21 believe, in 2002 or 2003 and the hope was that the people 22 would ultimately satisfy their pledge. 23 Right. So let me reconstruct this then.

24 Q. Right. So let me reconstruct this then.

In the period before 12/31/05 and during your

Page 17 tenure, I understand you to say there were dishonored 1 pledges, you can't estimate for me the number or the amount; 2 is that correct? 3 MR. PIZZI: Objection to form. By dishonored pledges were they formally 5 dishonored? 6 No, by dishonored pledges I mean, and if you 7 0. have misunderstood me, my apologies, by dishonored I mean 8 someone promised to pay X dollars on X date and didn't do 9 10 it. Yes. 11 Α. Did you understand that to be what I meant 12 0. when I referred to dishonored pledges? 13 Yes. 14 Α. Then back to the current question. 15 Q. period '99 through 12/31/05, I understand you to say there 16 were dishonored pledges but you can't estimate the number or 17 amount; is that correct? 18 Right. 19 Α. In that period when pledges were dishonored, 20 Q. who made the decision, if there was such a person to make a 21 decision, about what to do about it? 22 To the best of my knowledge nothing was done. 23 Α. It was just a number of letters to the donor reminding them 24 and to ask them to fulfill their promise. 25

Exhibit #62 - #69 Page 14 of 35 Page 18 And in the instances when those letters did 1 not produce the desired result, who decided what to do next, 2 if anything? 3 I don't believe anything was done. 4 Is that another way of saying, I want to be 5 Q. sure I'm understanding you correctly, that in those 6 instances lawsuits were not brought against the dishonored 7 8 pledges? MR. PIZZI: Object to the form. 9 Best of my recollection, yes. 10 Α. Yes there were no --Q. 11 There were no lawsuits. 12 Α. There were no lawsuits. And you think that 13 Q. the records that were kept by the foundation and/or Heather 14 Aaron in the accounting department would reflect the pledges 15 made in the period '99 through 12/31/05, those that were 16 dishonored and collection actions taken, if any; is that 17 18 correct? Please repeat. 19 Α. You believe that the records at the 20 Q. foundation and/or with the accounting department, at least 21 during the period that Heather Aaron was in charge, would 22 reflect the pledges recorded, the pledges dishonored and the 23

I believe so.

actions taken with respect to dishonored pledges, if any?

24

25

Α.

UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY
CASE NO. 07-15195 (MS)
CHAPTER 11

In re BAYONNE MEDICAL CENTER, :

ORGNAL

Debtor,

ALLEN D. WILEN,

DEPOSITION OF:

Plaintiff,

HEATHER J. AARON

-vs-

BAYONNE/OMNI DEVELOPMENT, : LLC, et al.,

Defendants.

BEFORE:

SHARON B. STOPPIELLO, a Certified Court
Reporter and Notary Public of the State of New
Jersey, at the offices of DRINKER, BIDDLE & REATH,
L.L.P., 500 Campus Drive, Florham Park, New Jersey,
on MONDAY, APRIL 12, 2010, commencing at 11:11 a.m.,
pursuant to Notice.

- A. Meaning that if the board had made a decision to go forth with building a nursing home, in order to go ahead and do that, you have to find someone to build it. So you would send out, you know, around the area there are companies that do this type of work, and offering whether or not they would want to do this at Bayonne.
 - Q. And did I understand you correctly to say that the solicitation of the pledge from Omni or Eisenreich was related to this bidding process?
 - A. As my understanding was, that based on the fact that we were going to be having a long-term relationship with Omni, that they were willing to invest in the facility and basically be a partner with us, support, be a philanthropy with the hospital, because they were going to be doing business with us in the future, so it made sense that they would support the facility.
 - Q. And who told you this?
 - A. Mr. Evans.

11

112

14

15

46.

18

- Q. Ms. Evans?
- A. Mr. Evans.
- Q. Mr. Evans. And more specifically, if you can be more specific, what did he tell you about that?

Case 09-01689-MS Doc 47-11 Filed 05/06/11 Entered 05/06/11 10:01:44 Desc Exhibit #62 - #69 Page 18 of 35

UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY CASE NO. 07-15195 (MS) CHAPTER 11

In re BAYONNE MEDICAL CENTER, :

ORGNAL

Debtor,

ALLEN D. WILEN,

DEPOSITION OF:

Plaintiff,

HEATHER J. AARON

-vs-

BAYONNE/OMNI DEVELOPMENT, : LLC, et al.,

Defendants.

BEFORE:

SHARON B. STOPPIELLO, a Certified Court Reporter and Notary Public of the State of New Jersey, at the offices of DRINKER, BIDDLE & REATH, L.L.P., 500 Campus Drive, Florham Park, New Jersey, on MONDAY, APRIL 12, 2010, commencing at 11:11 a.m., pursuant to Notice.

- 1 THE WITNESS: No.
- Q. Was there a policy of either the
- 3 foundation or the hospital while you were there with
- 4 respect to enforcing pledges?
- 5 A. A policy?
- Q. Yes.
- 7 A. There are general accounting
- 8 principles that relate to pledges. And if a pledge
- 9 is due and not received, then it has to be removed
- 10 from your books. That's the only enforcement that I
- 11 know of.
- Q. So then, so far as you know, no
- 13 action was taken against any dishonored pledges
- 14 while you were with the hospital to sue to enforce
- 15 them?
- MR. PIZZI: Object to the form of the
- 17 question.
- 18 Q. Is that correct?
- 19 MR. FROST: Again, this is if you
- 20 know.
- A. Not to my knowledge.
- 22 Q. Do you know whether during your
- 23 tenure there were, in fact, dishonored pledges that
- had been made to BMC or the foundation?
- A. I don't recall.

Case 09-01689-MS Doc 47-11 Filed 05/06/11 Entered 05/06/11 10:01:44 Desc Exhibit #62 - #69 Page 21 of 35

UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY CASE NO. 07-15195 (MS) CHAPTER 11

In re BAYONNE MEDICAL CENTER, :

ORGMAL

Debtor,

ALLEN D. WILEN,

DEPOSITION OF:

Plaintiff,

HEATHER J. AARON

-VS-

BAYONNE/OMNI DEVELOPMENT, LLC, et al.,

Defendants.

BEFORE:

SHARON B. STOPPIELLO, a Certified Court Reporter and Notary Public of the State of New Jersey, at the offices of DRINKER, BIDDLE & REATH, L.L.P., 500 Campus Drive, Florham Park, New Jersey, on MONDAY, APRIL 12, 2010, commencing at 11:11 a.m., pursuant to Notice.

- 1 Q. And you did that in connection with
- 2 the 2005 audit?
- 3 A. Yes, it would be done every year with
- 4 every audit.
- 5 Q. Now, specifically the entries that
- 6 are made in this letter, from "Date made" through
- 7 "Payable in the following installments," where did
- 8 this information come from when you prepared this
- 9 letter? Let's take "Date made." Who, if anyone,
- 10 told you that the date that the Omni Asset
- 11 Management pledge was made was October 21, '05?
- 12 A. This information would come from Mr.
- Evans.
- 14 O. And it was also he who told you the
- 15 amount of the pledge?
- 16 A. Yes.
- 17 Q. And it was he who told you that there
- were no restrictions on the period or manner of use?
- 19 A. The pledge received was an
- 20 unrestricted pledge. You have pledges that are
- 21 restricted and unrestricted.
- Q. What does that mean?
- 23 A. Unrestricted means that the facility
- 24 can use the funds for whatever they deem fit.
- 25 Restricted means that the donor said you must bill

- 1 this particular unit or this particular unit and my
- 2 name must be here.
- 3 Q. So, again, it was Mr. Evans who told
- 4 you that this was an unrestricted pledge, using your
- 5 terms?
- A. Yes.
- 7 Q. Was it also he who told you what the
- 8 installment dates were as shown in this letter?
- 9 A. As far as I recall, our understanding
- 10 was that the 5,000,000 was going to be given out
- 11 each year. In order for us to book this amount for
- 12 the year ending, based on general accounting
- 13 procedures, we had to receive it within a period of
- 14 time. So the dates here are when we needed to
- 15 receive it in order for it to be valid on the books.
- MR. FROST: Heather, I'm going to
- instruct you to listen to his questions and answer
- 18 the question he's asking and only the question he's
- 19 asking. If you could please ask your question
- 20 again.
- Q. Again, my question is whether Robert
- 22 Evans was the source of the information that's set
- 23 forth on the letter under the heading, "Payable in
- 24 the following installments"?
- MR. FROST: Do you understand the

Case 09-01689-MS Doc 47-11 Filed 05/06/11 Entered 05/06/11 10:01:44 Desc Exhibit #62 - #69 Page 25 of 35

UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY CASE NO. 07-15195 (MS) CHAPTER 11

In re BAYONNE MEDICAL CENTER, :

Debtor,

ORIGINAL

BAYONNE MEDICAL CENTER,

Debtor and

Debtor-in-Possession; and

ALLEN D. WILEN, in his

capacity as Liquidating

Trustee and Estate

Representative for the Estate : MARVIN APSEL

of Debtor, Bayonne Medical

Center,

: DEPOSITION OF:

Plaintiff,

-vs-

BAYONNE/OMNI DEVELOPMENT, L.L.C., a New Jersey limited liability company; et al.,

Defendants.

BEFORE:

SHARON B. STOPPIELLO, a Certified Court Reporter and Notary Public of the State of New Jersey, at the offices of GRUEN & GOLDSTEIN, ESQS., 1150 West Chestnut Street, Union, New Jersey, on THURSDAY, OCTOBER 14, 2010, commencing at 10:05 a.m., pursuant to Notice.

- 1 MR. GRUEN: I'm ready to move to a
- 2 different topic. I don't know what everybody wants
- 3 to do about lunch.
- 4 (A discussion is held off the record.)
- 5 O. At any time in 2005 do you recall
- 6 discussion with other BMC people about approaching
- 7 Avery Eisenreich for a monetary pledge?
- 8 A. Yes.
- 9 O. When, if you can place it in time,
- 10 did that subject first come up, or to your attention
- 11 I should say?
- 12 A. Rob Evans asked me to come to his
- 13 office around about the week of October 10th, and
- 14 requested that I meet with Avery Eisenreich for the
- 15 purpose of asking him for a pledge. Rob Evans
- 16 discussed the amount, he discussed possible talking
- 17 points, and asked me to do that for him.
- 18 Q. He discussed the amount. What amount
- 19 did he discuss?
- 20 A. He requested that I ask for a pledge
- 21 of \$5,000,000.
- 22 Q. Did he tell you how he arrived at
- 23 that number?
- 24 A. No.
- Q. Did you have any discussion with him

Case 09-01689-MS Doc 47-11 Filed 05/06/11 Entered 05/06/11 10:01:44 Desc Exhibit #62 - #69 Page 28 of 35

UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY CASE NO. 07-15195 (MS) CHAPTER 11

In re BAYONNE MEDICAL CENTER, :

Debtor,

ORIGINAL

DEPOSITION OF:

BAYONNE MEDICAL CENTER,

Debtor and

Debtor-in-Possession; and

ALLEN D. WILEN, in his

capacity as Liquidating

Trustee and Estate

Representative for the Estate : MARVIN APSEL

of Debtor, Bayonne Medical Center,

Plaintiff,

-vs-

BAYONNE/OMNI DEVELOPMENT, L.L.C., a New Jersey limited liability company; et al.,

Defendants.

B E F O R E:

SHARON B. STOPPIELLO, a Certified Court Reporter and Notary Public of the State of New Jersey, at the offices of GRUEN & GOLDSTEIN, ESQS., 1150 West Chestnut Street, Union, New Jersey, on THURSDAY, OCTOBER 14, 2010, commencing at 10:05 a.m., pursuant to Notice.

Case 09-01689-MS Doc 47-11 Filed 05/06/11 Entered 05/06/11 10:01:44 Exhibit #62 - #69 Page 30 of 35 Page 98 with Avery? 1 2 Yes. And the meeting took place at the 3 Q. 4 hospital? Yes. 5 Α. And you met with Avery that day? Q. Yes. 7 Α. Did you meet alone or was anyone else Q. 9 with you? 10 Α. Alone. Where was it? 11 Q. On the second floor conference room. 12 Α. Did anybody know that you were having 13 0. that meeting with Avery that day? 14. Yes, Vincent Lombardo of the Bayonne 15 Α. Medical Center Foundation. 16 How did he know? 17 0. Because the day before I had gone 18

- 19 into Vincent Lombardo's office, which is on the same
- 20 floor, just several offices away from my office, and
- 21 requested a pledge form from him.
- Q. And did you tell him why you wanted a
- 23 pledge form?
- A. Yes, I told him I was going to be
- 25 meeting with Avery Eisenreich the next day for the

- 1 purpose of asking for a pledge.
- Q. Did you have any other discussion
- 3 with him?
- A. We had general discussion. Not a
- 5 long discussion, but a general discussion about
- 6 pledges. And I asked him about the nature of a
- 7 pledge. He told me essentially that it was a
- 8 promise made. I believe that I picked up a brochure
- 9 or something that he had in his office relating to
- 10 pledges, and we discussed that.
- 11 Q. Anything else you remember of that
- 12 conversation with Vincent Lombardo?
- 13 A. There was some discussion about the
- 14 binding nature of a pledge that is made by an
- 15 individual.
- 16 Q. Do you recall that conversation?
- A. Briefly.
- 18 Q. Could you tell us about it?
- 19 A. I basically said, What happens to an
- 20 individual who cannot make that pledge? And Vincent
- 21 basically responded, Well, you can't get blood out
- 22 of rock, or something to that extent. And I think
- 23 that was it.
- Q. Did you discuss with him anything
- 25 else about whether a pledge was binding or not

Case 09-01689-MS Doc 47-11 Filed 05/06/11 Entered 05/06/11 10:01:44 Desc Exhibit #62 - #69 Page 32 of 35

UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY CASE NO. 07-15195 (MS) CHAPTER 11

In re BAYONNE MEDICAL CENTER, :

Debtor,

ORIGINAL

BAYONNE MEDICAL CENTER,

Debtor and

Debtor-in-Possession; and

ALLEN D. WILEN, in his

capacity as Liquidating

Trustee and Estate

Representative for the Estate : MARVIN APSEL

of Debtor, Bayonne Medical

Center,

DEPOSITION OF:

Plaintiff,

-vs-

BAYONNE/OMNI DEVELOPMENT, L.L.C., a New Jersey limited liability company; et al.,

Defendants.

BEFORE:

SHARON B. STOPPIELLO, a Certified Court Reporter and Notary Public of the State of New Jersey, at the offices of GRUEN & GOLDSTEIN, ESQS., 1150 West Chestnut Street, Union, New Jersey, on THURSDAY, OCTOBER 14, 2010, commencing at 10:05 a.m., pursuant to Notice.

- 1 for a question about that in this time frame, 2005.
- MR. GRUEN: I'll rephrase it.
- 3 Let me have the witness' answer read back.
- 4 (The Reporter reads from Page 103,
- 5 Lines 9-23.)
- 6 Q. That's my question, and the objection
- 7 has been registered.
- 8 A. There's no specific mention of
- 9 leasebacks or particulars of the project. It was
- 10 the overall project.
- 11 Q. At that point in time, did you
- 12 understand the overall project included leasing back
- 13 by the hospital?
- MR. PIZZI: Object to the form. No
- 15 foundation.
- Q. Go ahead.
- 17 A. Yes, I believe I had an understanding
- 18 of the overall project.
- 19 Q. Anything else that you remember from
- 20 those 15 minutes other than what you've told us so
- 21 far?
- 22 A. Yes. Avery had a concern, and he had
- 23 a concern regarding the, I'll use the binding nature
- 24 of a pledge to the hospital. He asked me if it was
- 25 binding. I said I don't know. I recently had a

- 1 conversation in which I casually talked about
- 2 pledges with the foundation person, but I was not
- 3 absolutely sure.
- 4 He then basically said, I want a letter from
- 5 Rob Evans stating that the pledge that I am making
- 6 is essentially nonbinding. He went into concerns
- 7 with what if my business gets disrupted or I can't
- 8 make a pledge. I don't want to be in that position
- 9 of not being able to meet my obligations.
- 10 Q. What else, if anything, did he say?
- 11 A. Who?
- 12 Q. Avery, he's the "he." You're the
- 13 "you" and he's the "he"?
- 14 A. Thank you very much for that
- 15 clarification.
- 16 Q. If anything.
- 17 A. I don't believe there was anything of
- 18 substance beyond that.
- 19 Q. What, if anything, did you say in
- 20 response to that declaration of his?
- 21 A. I said, "I will communicate that to
- 22 Rob Evans immediately, and we will get the issue
- 23 resolved."
- Q. And did you communicate that to Rob
- 25 Evans?